



Your connection to the world

**Pacific Telecom Inc.**

P.O. Box 500306 Saipan, MP 96950-0437

October 30, 2006

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Room TW-A325  
Washington, D.C. 20554

**Re: WT Docket No. 94-102**

Dear Ms. Dortch,

The letter is submitted on behalf of Pacific Telecom, Inc. ("PTI"), formerly known as GTE Pacifica Inc. the wireline-side cellular licensee for the Commonwealth of the Northern Marianas Islands ("CNMI"). The CNMI, a self-governing Commonwealth in political union with and under the sovereignty of the United States of America, is a three hundred mile archipelago consisting of fourteen islands, the largest inhabited islands of which are Saipan, Rota and Tinian. The CNMI is located approx. 150 miles north of Guam in the Micronesia area of the eastern Pacific Ocean, over 5,000 miles from the mainland U.S. PTI provides wireless service principally via CDMA 1x technology, which it has generally overlaid coextensive with the coverage of its legacy TDMA and analog platforms.

On March 29, 2006, the Commission granted PTI's request for an extension of time until June 30, 2007, to comply with the requirement in Section 20.18(g)(i)(v) of the Commission's rules that carriers employing a handset-based E911 Phase II location technology must achieve 95 percent penetration among their subscribers of location-capable handsets. See *Revision of the Commission's Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems – GTE Pacifica, Inc. d/b/a Verizon Pacifica Request for Waiver*, CC Docket No. 94-102, FCC 06-40 (rel. Mar 29, 2006). In order to monitor compliance with the relief granted, the Commission required PTI to file status reports quarterly beginning May 1, 2006, and ending June 30, 2008. *Id.* at paragraph 19. The second report was filed August 1, 2006; this is the third quarterly report.

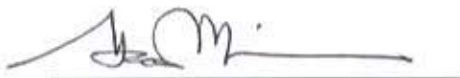
**5). The percentage of PTI customers with location-capable handsets.**

As of October 2006 PTI is at 61.4% penetration of location-capable handsets, an increase of 2.6% percent since data had last been reported to the FCC.

**6). Detailed information on PTI's status in achieving compliance and whether it is on schedule to meet the revised deadline.**

As discussed in its December 19, 2005, request for waiver in this docket, PTI launched its CDMA technology platform in 2004; and all CDMA handsets sold since have been location-capable. PTI plans to retire its legacy TDMA network in mid-2007 and in any event prior to the June 30, 2007 deadline for achieving 95 percent penetration. No handsets that are not location-capable have been activated in the CNMI since late 2004. Moreover, as of October 2005, PTI has ceased supporting legacy TDMA handsets with either new batteries or other accessories. After the phase-out of the legacy TDMA network, all PTI wireless subscribers, with the possible exception of a couple hundred subscribers using analog handsets, will have location-capable handsets, thereby allowing PTI to meet the 95 percent benchmark.

Respectfully submitted,



Hans W. Mickelson  
Wireless Manager  
Wireless Department  
PTI - Pacific Telecom, Inc.  
Saipan, MP. - CNMI 96950

#### 4). PTI's efforts to encourage customers to upgrade to location capable handsets.

Our efforts to-date include to continue to offer a "FREE! \$5.00 Prepaid Calling Card" to subscribers that "TRADE-IN" their former TDMA handsets. We are promoting this at the popular Thursday Night Street Market and supporting it with ¾ page - full color newspaper ads (see supporting newspaper ads) as well as radio ads with 100% rotation on Thursdays. Staff also hands out posters/flyers during this event. Surrounding our TRADE-IN offer we have revised our Postpaid Airtime Rate Plans – offering subscribers lower per minute rates and "FREE! Local Texting." Additionally, we have gone to a flat \$0.20 per minute Prepaid Rate to encourage subscriber usage and thus to purchase a newer handset.

Also, we recently set-up a new Distribution Program with the 8 Local Shell Gas Stations to sell our handsets at their various locations around the island.

Other promotions conducted since our last report include: Back-to-School campaign, After Hours Sale to celebrate our 1<sup>st</sup> year Anniversary as PTI. We also sponsored and had a booth during the recent local Car Show Plus. We continue to advertise in the Beach Road magazine which targets our 18 – 25 user segment – part of our core Prepaid subscriber base.

Additionally, we have brought in the Motorola v810 and Motorola v265 camera phones to offer current TDMA users a stronger reason to switch from their older non- camera TDMA phone to a CDMA camera phone. Both handsets come with color display screens and enhanced features. The Motorola v810 is \$139 including a FREE! \$10 Prepaid Calling Card and the Motorola v2675 is \$75 also with a FREE \$10 Prepaid Calling card.

We also have made up banners that promote the benefits of CDMA 1x features, i.e., BREW content (ringtones, wallpaper and games), new embedded ringtones on CDMA handsets, more stylish handsets to choose from.

Other on-going CDMA incentives are being planned to encourage and entice TDMA subscribers to switch to a far superior CDMA 1x handset. Promotions include allowing the subscriber to switch out both his phone and airtime rate plan without incurring any penalty for switching from a (currently higher-priced) TDMA airtime plan to a new CDMA airtime plan.

We also will hold other special events wherein subscribers will have the opportunity to trade-in their old TDMA handsets and receive a significant discount on a new ALI-capable handset. This event is especially marketed to our prepaid subscribers – our largest group of TDMA users.

Billing inserts will be provided in upcoming billing statements that will include:

"Enjoy the coolest ring tones, the most colorful wallpapers and super games at your fingertips with PTI's CDMA 1x cellular handsets! Better battery lifetime, quality reception stylish phones! Hear the difference a CDMA 1x phone will mean to you!"

"Switch to a new CDMA 1x cellular phone and switch your airtime plan at the same time with out any penalty. Get a better phone and a better plan with PTI! Hear the difference a CDMA 1x phone will mean for you!"



**1). The Number and Status of Phase II requests from PSAPs.**

The CNMI Department of Public Safety ("DPS") is the single entity charged with implementing the E911 system. Its jurisdiction covers all three populated CNMI islands, Saipan, Tinian and Rota. To date PTI has not received any CNMI government agency or PSAP request for E911 Phase I or II.

CNMI - DPS personnel have indicated that the CNMI government is trying to identify Homeland Security grant funding for two-way radios and other communication equipment. CNMI-DPS is now trying to identify alternative revenue sources for the funding of its E911 system.

**2). The dates on which Phase II service will be available to PSAPs served by PTI's network.**

Notwithstanding that CNMI-DPS has not requested Phase I or Phase II and continues its search to secure funding from different sources, as a carrier we are actively preparing ourselves for the eventual islandwide deployment of PSAP Phase II – and are working towards satisfaction of the 95% handset penetration deadline of June 30, 2007. We plan to work in parallel with the CNMI - DPS and assist them with the implementation of the E911 system when its E911 funding becomes available. We will periodically hold meeting with CNMI-DPS to track progress.

**3). The Status of PTI's coordination efforts with PSAPs for alternative 95% handset penetration dates.**

We will continue the E911 dialog with the new CNMI Communication officer Mr. Bill Rathburn to ensure steps are being taken to address the relevant issues.

Other coordinated efforts include use of all our media products (newspaper, radio, TV, flyers, billing inserts and billing memos) to inform and encourage our subscribers to move over to a location-capable CDMA handset.

A subscribers campaign has been launched to inform them of the benefits of E911. Subscribers have been informed that by upgrading to a CDMA handset that eventually they will automatically be able to transmit their location information to DPS when calling 911. Other campaigns include marketing the superior battery lifetime of a CDMA handset and informing consumers that CDMA handsets are smaller and easier to carry, and that CDMA handsets have stronger reception both on-island and out on the ocean (e.g. for use while fishing).

# 1ST BIRTHDAY PARTY AFTER HOURS SALE!

# IT'S PTI'S 1ST BIRTHDAY AND YOU GET THE PRESENTS!

## \* PREPAID CELLULAR



Nokia 2126\*  
**\$83.00**



Motorola V810 (w/camera)\*  
**\$139.00**

\*Some conditions apply • Limited 1 per customer  
Offer good, Friday (After Hours Sale) Sept 29 only • Offer good while supplies last

**go  
paperless Raffle**

GO Paperless & receive an entry for a \$100 Gas Certificate from Shell



Your connection to the world

## \* BROADBAND DSL



DSL Lite **\$27.45\***  
384Kbps

\*New DSL Customers Only  
First 6 months, \$29.95 regular price

The **NEWEST** Speed From Our Family Of  
**BLAZIN' FAST PTI Broadband DSL.**

All **NEW** DSL Activations Receive the First 6 Months  
of Internet **50% OFF!**

## \* LONG DISTANCE CARD



Buy \$20 worth of Long Distance Card  
& get a **\$5 Card Free\***

\*For the first 100 customers

**Long Distance Card Raffle**  
For every \$1 LD Card purchase receive an entry for \$100 LD Cards

Customer Service: 234-7143  
www.pticom.com

**SEPTEMBER 29TH  
4:00PM TO 7:00PM  
PTI OFFICE IN CHALAN LAULAU**



**Smart. Stylish.  
Practical. Like you.**

## **Motorola V810 Camera Phone**

With a range of communication and entertainment features to complement its sleek look, the Motorola V810 is an ideal handset companion for stylish tech-lovers.

**\$139.<sup>00</sup>** *Star Prepaid Cellular*



**Quality Connections • Exceptional Value  
Trusted Network**

Customer Service: 234-7143 • [www.pticom.com](http://www.pticom.com)



*Your connection to the world*

# Tonight at the Street Market

Look for the PTI Star Prepaid Tent (6:00 p.m. to 9:00 p.m.)

## Star Prepaid Specials!



Nokia 2126  
**\$83.00**



**Free \$10** Prepaid Card

with each phone purchase



Motorola V810  
**\$139.00**

FREE! \$5.00  Prepaid Card with TRADE-IN!

Of any of these models: Motorola: v60t, v120t • Nokia: 3560, 3360, 8260, 8265, 5165, 6360



Customer Service: 234-7143  
[www.pticom.com](http://www.pticom.com)

**NEW! Saturday Hours**

Chalan Lauau Customer Service  
10:00 a.m. to 2:00 p.m.  
October 14, 2006  
*Government payday Saturdays*



# Tonight at the Street Market

Look for the PTI Star Prepaid Tent (6:00 p.m. to 9:00 p.m.)

## Star Prepaid Specials!



Nokia 2126  
**\$83.00**



Motorola V275\*  
**\$98.00**

\*30 day warranty



Motorola V810  
**\$139.00**



**Free \$10  
Prepaid Card**  
with each phone purchase

**FREE! \$5.00**  **Prepaid Card with TRADE-IN!**  
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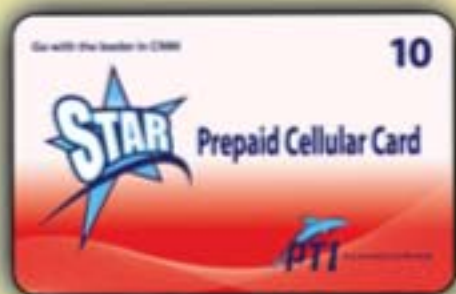


# *on the go!*

Available at all 8 Saipan  Stations

**FREE! \$10**  
**Prepaid Card**

with each phone purchase



**Best Text Rates**

**4¢ - Local • 6¢ - Philippines • 10¢ - International**

**Includes FREE! Long Distance to:**

**USA • Hawaii • Canada • China • Hong Kong  
Australia • Alaska • South Korea • Taiwan • Saipan • Guam**

(only local airtime applies when calling these destinations)



**Nokia  
2126**

**\$83.00**



**Motorola  
V810**

**\$139.00**



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## Do you have an OLD (TDMA) cellular phone?

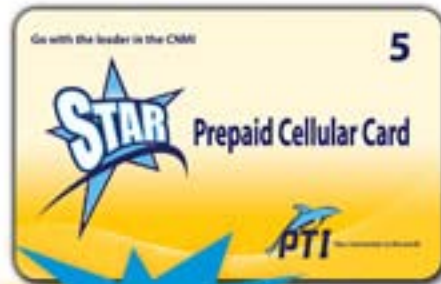
Motorola V.60 • V120T • Nokia 5165 • 3560 • 6360

PTI Wireless has a wide selection of affordable NEW CDMA cellular phones as well as the right airtime plans for you.

*Upgrade to new technology and get a CDMA cellular phone TODAY!*



Go with the Leader  
in the CNMI



**FREE! \$5.00**

**Star Prepaid Card with TRADE-IN!**

Camera Phones • Web Browsing • Better Reception  
Better Battery Life • Stylish Model • Cool Features

Saipan: 234-7143 • Tinian: 433-0210 • Rota: 532-3599 • Guam: 671-649-2200 • [www.pticom.com](http://www.pticom.com)



# Look for PTI at the 2006 Saipan Custom CAR SHOW

Saturday, October 21, 2006 • Look for the PTI



## Prepaid Special!

**Motorola V265\***  
(Camera Phone)

**\$75.00**

\*mfg. re-conditioned • 30 day warranty



**Free \$10  
Prepaid Card**



**Win a FREE Motorola RAZR V3  
Plus 475 minutes of airtime**

Text us your favorite car or truck during the  
2006 Saipan Custom Car Show at 670-287-4842  
and be automatically entered into the raffle.

*Raffle to be held on October 23rd*



Customer Service: 234-7143  
[www.pticom.com](http://www.pticom.com)

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